(b) if so, the details thereof;

(c) whether foreign banks are exempted from such lending;

(d) how many banks have defaulted in meeting the conditions of such priority lending; and

(e) the action taken by the Government to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) have reported that at present, domestic banks both in public sector and private sector (including new private sector banks) are required to lend 40 per cent of their net bank credit (NBC) to priority sector.

(c) Foreign banks operating in India are required to lend 32 per cent of their net bank credit to the priority sector.

(d) As at the end of March 1996, 11 public sector banks, 24 private sector banks and five foreign banks had not achieved the target in respect of total priority sector advances.

(e) RBI have further reported that the following steps have been taken in case banks do not achieve the target for lending to priority sector :

(i) *Public Sector Banks*

1. Public sector banks which fails to achieve agricultural lending target of 18 per cent of NBC at the end of September 1994 were asked to contribute, on a prorata basis, to the Rs. 2,000 crore "Rural Infrastructural Development Fund-I (RIDF-I)" with National Bank for Agriculture and Rural Development (NABARD).

   Those public sector banks which were falling short of the priority sector target of 40 per cent even after taking into account their contribution to RIDF were asked to participate in a Rs. 1,000 crore consortium lending to Khadi and Village Industry Commission (KVIC).

2. Public sector banks which did not achieve the overall target of 40 per cent of priority sector lending target at the end of March 1996, were asked to contribute to the Rs. 2,500 crore RIDF-II with NABARD.

(ii) *Private Sector Banks*

1. Old Private Sector banks (prior to 22.01.93) which failed to achieve the agricultural lending target of 18 per cent at the end of March 1994 were asked to contribute to RIDF-I.

2. Those private sector banks which have not achieved the overall target of 40 per cent of NBC at the end of March 1996 have been asked to deposit 50 per cent of the shortfall with NABARD or SIDBI.

(iii) *Foreign Banks*

Foreign banks are required to deposit with SIDBI at the end of March every year the entire shortfall in their priority sector lending for a period of one year.

Revival of TCIL

1184. SHRI BASU DEB ACHARIA :
SHRIMATI GEETA MUKHERJEE :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the revival plan of Tyre Corporation of India Limited is pending for a quite long time;

(b) if so, the details thereof alongwith the steps taken by the Government in this regard; and

(c) the present status of the revival plan?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) BIFR sanctioned a revival scheme for TCIL on 15.2.96. The scheme assumed the consent of Government of India based on the draft revival scheme circulated in December, 1994 which was different in many respects from the scheme which was eventually sanctioned. An appeal was therefore filed before the Appellete Authority (AAIFR) under the provisions of Sick Industries Companies Act (SICA).

(c) In its hearing held on 7.2.97, AAIFR has accepted the appeal filed by Government and remanded the matter to BIFR for fresh consideration.

Fake Account Holders

1185. SHRI JANG BAHADUR SINGH PATEL :
SHRI JAI PRAKASH (Hardoi) :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have issued the instruction to banks to observe the formalities while opening of bank account;

(b) if so, the details thereof;

(c) whether the instructions issued are being flouted;

(d) if so, the number of such cases which have come to the notice of the Government and the action taken thereon;

(e) whether the banks have provided the necessary inputs to the RBI about the instructions issued in May, 1995 to introduce a system for closely monitoring cash deposits and withdrawal of Rs. 101 lakhs and above; and

(f) if so, the details thereof?